

1 GEORGE S. CARDONA  
Acting United States Attorney  
2 SANDRA R. BROWN  
Assistant United States Attorney  
3 Chief, Tax Division  
ANDREW T. PRIBE (CA SBN: 254904)  
4 Assistant United States Attorney  
300 N. Los Angeles Street  
5 Federal Building, Room 7211  
Los Angeles, California 90012  
6 Telephone: (213) 894-6551  
Facsimile: (213) 894-0115  
7 E-mail: [andrew.t.pribe@usdoj.gov](mailto:andrew.t.pribe@usdoj.gov)

8 *Attorneys for the United States of America*

9  
10 UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
11 SOUTHERN DIVISION

12 UNITED STATES OF AMERICA )

13 Plaintiff,

14 vs.

15 COMCO MANAGEMENT  
CORPORATION; CONCORD  
16 FUNDING CO., LLC; METCO  
MANAGEMENT CORPORATION;  
17 MONEX CREDIT CO.; MONEX  
DEPOSIT CO.; NEWPORT  
18 SERVICE CORP.; and PCCE, Inc., )

19 Defendants.

Case No.: SACV08-668 JVS(MLGx)

Declaration of Andrew Pribe

20 Andrew Pribe declares:

21 1. I am an Assistant United States Attorney with the United States  
Attorney's Office for the Central District of California.

22 2. I am lead trial counsel for the United States in this case.

23 3. On Monday, April 27, 2009, Robert Stientjes called me.

24 4. This telephone call was the first communication I had with Stientjes.

25 5. During the course of the telephone call on April 27, 2009, Stientjes  
26 made the following statements:

27 — Stientjes represented a confidential informant who was at Monex.  
28

1 — The person wanted to remain anonymous.

2 — The person still had connections at Monex.

3 — The person was concerned about two things: (1) protecting his  
4 confidentiality as long as possible; and (2) being guaranteed into the  
5 IRS Whistleblower Program.

6 — Stientjes was going to call an individual named Robert Gardner at the  
7 IRS Whistleblower Office on the following day.

8 — Gardner, in turn, may call me.

9 — If the second condition was not met, Stientjes's client would not  
10 provide information.

11 6. During the course of the April 27, 2009, conversation, I asked  
12 Stientjes if the individual had documents. Stientjes said yes.

13 7. At that point the conversation ended and I thanked Stientjes for  
14 calling.

15 8. On Monday, April 27, 2009, I received an e-mail from Stientjes  
16 which is attached as exhibit 1.

17 9. On Thursday, April 30, 2009, I received an e-mail from Stientjes  
18 which is attached as exhibit 2.

19 10. On Thursday, April 30, 2009, I responded to Stientjes's e-mail. A  
20 copy of my response is attached as exhibit 3.

21 11. On Tuesday, May 5, 2009, I received a voice mail message from  
22 Stientjes saying that he wanted to follow up on the e-mail he had sent me. He said  
23 that he is learning more all the time and that he wanted to pass some things on to  
24 me. He asked me to call him on the following day.

25 12. On Thursday, May 7, 2009, I called Al Gibson at the IRS  
26 Whistleblower Office. Gibson was very guarded in his discussion with me. He  
27 would not discuss any specific claim or case with me. But he gave me a broad  
28 overview of the operation of the IRS Whistleblower Program and how they

1 handled claims.

2 13. On Friday, May 8, 2009, I received a voice mail message from  
3 Stientjes saying that he was following up on the e-mail from earlier in the week.  
4 He provided me with the number for his direct line.

5 14. On Friday, May 8, 2009, I sent an e-mail to Stientjes. A copy of that  
6 e-mail is attached as exhibit 4.

7 15. On Friday, May 8, 2009, I received a second voice mail message from  
8 Stientjes. He said that he got my e-mail, but that he still wanted to talk, not  
9 necessarily about the IRS Whistleblower Program, but about how he was trying to  
10 assist the Government on his end.

11 16. On Friday, May 8, 2009, I received an e-mail with an attached letter  
12 from Stientjes, a copy of which is attached as exhibit 5.

13 17. On Monday, May 11, 2009, I sent an e-mail to Stientjes, a copy of  
14 which is attached as exhibit 6.

15 18. On Monday, May 11, 2009, I received an e-mail from Stientjes, a  
16 copy of which is attached as exhibit 7.

17 19. On Monday, May 11, 2009, I sent an e-mail to Stientjes, a copy of  
18 which is attached as exhibit 8.

19 20. On Tuesday, May 12, 2009, I participated in a telephone conference  
20 with Stientjes; Thomas Pliske, his law partner; Thomas Coker, an assistant United  
21 States attorney; and Michael "Dan" Smith, an IRS revenue officer.

22 21. During the course of the May 12, 2009, telephone conference  
23 Stientjes and Pliske made the following statements regarding the identity of their  
24 client or clients and documents in the client or client's possession, with Stientjes  
25 speaking the most:

26 — Their client or clients would not allow them to provide their names or  
27 the number of individuals who were their clients.

28 — Their client or clients had been on the right side for over 15 years and

1 have been providing information to the IRS and risking hardship,  
2 harm, and embarrassment.

3 — Their client or clients have been reviewing records and providing  
4 them to Stientjes and Pliske.

5 — Their client or clients have records that were ordered destroyed by the  
6 Carabinis as well as other voluminous records that will clearly  
7 document what went on and a clear plan to avoid payment of taxes,  
8 fraudulent conveyances, etc.

9 — Their client or clients have memos by the Carabinis noting that they  
10 are doing things to avoid paying taxes.

11 — Their client or clients needed a reason to go forward with the IRS.  
12 They wanted some assurances that the DOJ and IRS were taking a  
13 serious ownership interest in continuing to pursue Monex, in all its  
14 forms, even after the suit was won. They needed this assurance to  
15 feel comfortable with exposing themselves to increased risk and  
16 hardship as the case progressed.

17 — Their client or clients also wanted some assurances that their  
18 identities would be kept confidential for as long as possible and to the  
19 maximum extent possible.

20 22. During the course of the telephone conference on May 12, 2009, I  
21 made the following statements and received the following responses:

22 — I inquired whether their clients would be available to meet. Stientjes  
23 and Pliske said they were still involved in negotiations with the IRS  
24 Whistleblower Office. But they stated the information could be  
25 provided to the DOJ either simultaneously or just after the  
26 information had been provided to the IRS Whistleblower Office. Ten  
27 days was mentioned, but not discussed further.

28 — I said that no attorney-client materials should be provided to me. I

1 suggested that if their clients decided to turn any documents over to  
2 the IRS Whistleblower Office, any potential attorney-client  
3 documents should be flagged for the IRS Whistleblower Office.

4 — I said that we made no assurances what the DOJ or the IRS would do  
5 after judgment was secured. We were focused on the issues in the  
6 current suit. Step two (collection) was another issue.

7 — Regarding their request for confidentiality, I said that I will do what  
8 the law requires. I could make no assurances on confidentiality. I  
9 discussed issues relating to the confidentiality of confidential  
10 informants, disclosure and discovery requirements, and the fact that  
11 the Government cannot keep its evidence secret. Stientjes and Pliske  
12 noted that some or most of the information they had would lead back  
13 to and identify their clients. They gave the example of documents  
14 that were ordered to be destroyed.

15 — I said that the information their clients had should be provided to the  
16 DOJ and IRS and that we would listen to and evaluate it. I noted that,  
17 in all likelihood, their clients would be swept up with the individuals  
18 we would depose and that the information that they had would come  
19 out at that time anyway. I noted that their clients were most likely  
20 percipient witnesses and would have to provide the information.

21 23. The telephone conference on May 12, 2009, ended with Stientjes and  
22 Pliske stating that they would inform their clients and see where the clients wanted  
23 to go from there.

24 24. On Thursday, May 28, 2009, I sent a letter to Stientjes by e-mail, a  
25 copy of which is attached as exhibit 9.

26 25. From the end of the telephone call on Tuesday, May 12, 2009, to my  
27 letter to Stienjes dated May 28, 2009, there was no communication between  
28 Stientjes and me.

1           26.    On Friday, May 29, 2009, I received an e-mail from Stientjes, a copy  
2 of which is attached as exhibit 10.

3           27.    To the best of my recollection, these are the only contacts between  
4 Stientjes and me from the time when he first contacted me to May 29, 2009.

5           28.    The only contact I had with Pliske from April 27, 2009, through May  
6 29, 2009, was the May 12, 2009, telephone call and any e-mails identified above  
7 on which he was an additional recipient.

8           29.    The only contact I had with the IRS Whistleblower Office from April  
9 27, 2009, through May 29, 2009 was the telephone call on May 7, 2009.

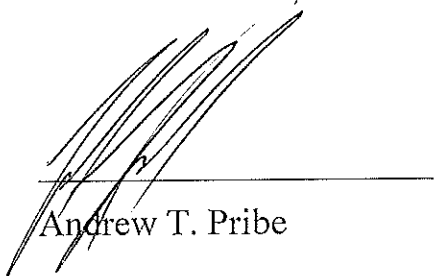
10          30.    At no time from April 27, 2009, through May 29, 2009, did Stientjes  
11 represent that his client was then a current employee at any of Defendants.

12          31.    At no time from April 27, 2009, through May 29, 2009, did Stientjes  
13 identify his client.

14          32.    At no time from April 27, 2009, through May 29, 2009, did I direct  
15 Stientjes or his client to send any documents to the IRS Whistleblower Office nor  
16 did I direct him not to send any documents to the IRS Whistleblower Office.

17          33.    I declare under penalty of perjury that the foregoing is true and  
18 correct to the best of my recollection.

19  
20 Dated: Nov. 17, 2009

  
\_\_\_\_\_  
Andrew T. Pribe

Pribe declaration dated Nov. 17, 2009  
Exhibit 1



**Pribe, Andrew T. (USACAC)**

---

**From:** Rob Rewardtax [rob@rewardtax.com]  
**Sent:** Monday, April 27, 2009 5:33 PM  
**To:** robert.b.gardner@irs.gov  
**Cc:** tom@rewardtax.com; Pribe, Andrew T. (USACAC)  
**Subject:** New Whistleblower Case  
**Attachments:** Complaint.pdf

TO: IRS Whistleblower Office

Attn: Robert Gardner

Dear Bob,

At your earliest convenience, I need to speak to you about a new case that I have. A brief explanation of the facts is as follows:

Corporation A has an outstanding tax assessment of \$378 million arising from a tax shelter/listed transaction. The assessment stems from a Tax Court case that concluded in 1999. Corporation A was obviously the big loser. Before losing the case, the principals of Corporation A "stripped it clean" so that the IRS could collect nothing. In 2008, the IRS and DOJ initiated a Court case against Corporation A and others to preserve the statute of limitations on collection, reduce the claim to judgment, and determine that there is successor liability. The name of this collection case is U.S. v. Comco Management Corp., et al., Case No. 8:08-cv-00668 (C.D. Cal. filed June 13, 2008). The Complaint is attached to this email. This collection case is currently pending in the district court.

My client acted as an anonymous informant between 1995-1999 in providing information to an IRS revenue officer regarding attempts to avoid collection of tax by the principals of Corporation A. Based on information and belief, the IRS/DOJ is relying heavily on information provided by my client in the above referenced collection case. Best of all, my client has lots more information that would be extremely helpful to the IRS/DOJ in the above referenced collection case. My client can provide original records going back to the early 1990's, which clearly show that successor liability exists and that several defendant corporations are alter egos of Corporation A. In essence, my client believes he can give additional information, which will make the above-referenced collection case a "slam dunk" for the IRS/DOJ. As stated above, all information was provided by my client to the IRS/DOJ anonymously between 1995-1999. The IRS/DOJ does not know the identity of my client, and the IRS/DOJ will not find my client and obtain the additional information on their own.

My client wants to be brought in under the post-December 2006 law. Without this assurance by the Whistleblower Office, he is not interested in providing further cooperation. Thus, my client is looking for a contract – as allowed by IRC s. 7623. Although you have told me that the Whistleblower Office has not entered into any contracts since the law changed in December 2006, I am hoping that this unique set of circumstances will cause the Whistleblower Office to explore this option.

Please let me know when we can schedule a time to talk about this scenario further.

I am copying Andrew Pribe, the AUSA, who filed the above referenced collection case. I made contact with Mr. Pribe today.

Robert J. Stientjes  
S & P Law Firm LLC  
1120 Olivette Executive Parkway  
Suite 220  
Saint Louis, Missouri 63132  
314.743.3292 direct telephone  
314.872.3988 main office  
314.872.7374 facsimile  
314.705.2771 cellular  
[www.RewardTax.com](http://www.RewardTax.com)



IRS Circular 230 Disclosure: To ensure compliance with IRS requirements, we inform you that any U.S. federal tax advice contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

This communication is from a law firm and may contain confidential and/or privileged information. If it has been sent to you in error, please contact the sender for instructions concerning return or destruction, and do not use or disclose the contents to others.

COPY

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA  
CIVIL COVER SHEET

<b>I (a) PLAINTIFFS</b> (Check box if you are representing yourself <input type="checkbox"/> )  UNITED STATES OF AMERICA		<b>DEFENDANTS</b>  Comco Management Corporation; Concord Funding Co., LLC; Metco Management Corporation; Monex Credit Co., et al (See attached copy)	
(b) County of Residence of First Listed Plaintiff (Except in U.S. Plaintiff Cases): Los Angeles County		County of Residence of First Listed Defendant (In U.S. Plaintiff Cases Only): Orange County	
(c) Attorneys (Firm Name, Address and Telephone Number. If you are representing yourself, provide same.) ANDREW T. PRIBE, AUSA US Attorney's Office 300 N. Los Angeles St. #7211, Los Angeles, CA 90012 Tel: (213) 894-6551 Fax: (213) 894-0115		Attorneys (If Known)	

<b>II. BASIS OF JURISDICTION</b> (Place an X in one box only.)  <input checked="" type="checkbox"/> 1 U.S. Government Plaintiff <input type="checkbox"/> 3 Federal Question (U.S. Government Not a Party)  <input type="checkbox"/> 2 U.S. Government Defendant <input type="checkbox"/> 4 Diversity (Indicate Citizenship of Parties in Item III)		<b>III. CITIZENSHIP OF PRINCIPAL PARTIES</b> - For Diversity Cases Only (Place an X in one box for plaintiff and one for defendant.) <table style="width:100%"><tr><td>Citizen of This State</td><td>PTF <input type="checkbox"/> 1</td><td>DEF <input type="checkbox"/> 1</td><td>Incorporated or Principal Place of Business in this State</td><td>PTF <input type="checkbox"/> 4</td><td>DEF <input type="checkbox"/> 4</td></tr><tr><td>Citizen of Another State</td><td><input type="checkbox"/> 2</td><td><input type="checkbox"/> 2</td><td>Incorporated and Principal Place of Business in Another State</td><td><input type="checkbox"/> 5</td><td><input type="checkbox"/> 5</td></tr><tr><td>Citizen or Subject of a Foreign Country</td><td><input type="checkbox"/> 3</td><td><input type="checkbox"/> 3</td><td>Foreign Nation</td><td><input type="checkbox"/> 6</td><td><input type="checkbox"/> 6</td></tr></table>				Citizen of This State	PTF <input type="checkbox"/> 1	DEF <input type="checkbox"/> 1	Incorporated or Principal Place of Business in this State	PTF <input type="checkbox"/> 4	DEF <input type="checkbox"/> 4	Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business in Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5	Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6
Citizen of This State	PTF <input type="checkbox"/> 1	DEF <input type="checkbox"/> 1	Incorporated or Principal Place of Business in this State	PTF <input type="checkbox"/> 4	DEF <input type="checkbox"/> 4																		
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business in Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5																		
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6																		

<b>IV. ORIGIN</b> (Place an X in one box only.) <input checked="" type="checkbox"/> 1 Original Proceeding <input type="checkbox"/> 2 Removed from State Court <input type="checkbox"/> 3 Remanded from Appellate Court <input type="checkbox"/> 4 Reinstated or Reopened <input type="checkbox"/> 5 Transferred from another district (specify): <input type="checkbox"/> 6 Multi-District Litigation <input type="checkbox"/> 7 Appeal to District Judge from Magistrate Judge					
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**V. REQUESTED IN COMPLAINT:** JURY DEMAND: ☐ Yes ☒ No (Check 'Yes' only if demanded in complaint.)

**CLASS ACTION** under F.R.C.P. 23: ☐ Yes ☐ No    **MONEY DEMANDED IN COMPLAINT:** \$

**VI. CAUSE OF ACTION** (Cite the U.S. Civil Statute under which you are filing and write a brief statement of cause. Do not cite jurisdictional statutes unless diversity.)  
Pursuant to 26 U.S.C. Section 7402 and 28 U.S.C. Section 1331, 1340 and 1345

<b>VII. NATURE OF SUIT</b> (Place an X in one box only.)					
<b>OTHER STATUTES</b> <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/ICC Rates/etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities /Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Act <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Info. Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes	<b>CONTRACT</b> <input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loan (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise <b>REAL PROPERTY</b> <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<b>TORTS</b> <b>PERSONAL INJURY</b> <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Fed. Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury-Med Malpractice <input type="checkbox"/> 365 Personal Injury-Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability	<b>TORTS</b> <b>PERSONAL PROPERTY</b> <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability <b>BANKRUPTCY</b> <input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 <b>CIVIL RIGHTS</b> <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 American with Disabilities - Employment <input type="checkbox"/> 446 American with Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights	<b>PRISONER PETITIONS</b> <input type="checkbox"/> 510 Motions to Vacate Sentence Habeas Corpus <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus/Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <b>FORFEITURE/PENALTY</b> <input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other	<b>LABOR</b> <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act <b>PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark <b>SOCIAL SECURITY</b> <input type="checkbox"/> 861 HIA (1395f) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) <b>FEDERAL TAX SUITS</b> <input checked="" type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS-Third Party 26 USC 7609

VIII(a). IDENTICAL CASES: Has this action been previously filed and dismissed, remanded or closed? ☒ No ☐ Yes

If yes, list case number(s):

FOR OFFICE USE ONLY: Case Number: SACV08-00668 JVS (MLGx)

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA  
CIVIL COVER SHEET

AFTER COMPLETING THE FRONT SIDE OF FORM CV-71, COMPLETE THE INFORMATION REQUESTED BELOW.

VIII(b). RELATED CASES: Have any cases been previously filed that are related to the present case? ☒ No ☐ Yes

If yes, list case number(s): \_\_\_\_\_

Civil cases are deemed related if a previously filed case and the present case:

- (Check all boxes that apply) ☐ A. Arise from the same or closely related transactions, happenings, or events; or  
☐ B. Call for determination of the same or substantially related or similar questions of law and fact; or  
☐ C. For other reasons would entail substantial duplication of labor if heard by different judges; or  
☐ D. Involve the same patent, trademark or copyright, and one of the factors identified above in a, b or c also is present.

IX. VENUE: List the California County, or State if other than California, in which EACH named plaintiff resides (Use an additional sheet if necessary)  
☒ Check here if the U.S. government, its agencies or employees is a named plaintiff.

Los Angeles County

List the California County, or State if other than California, in which EACH named defendant resides. (Use an additional sheet if necessary).  
☐ Check here if the U.S. government, its agencies or employees is a named defendant.

Orange County

List the California County, or State if other than California, in which EACH claim arose. (Use an additional sheet if necessary)  
Note: In land condemnation cases, use the location of the tract of land involved.

Orange County

X. SIGNATURE OF ATTORNEY (OR PRO PER): \_\_\_\_\_

Date June 13 2008

Notice to Counsel/Parties: The CV-71 (JS-44) Civil Cover Sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law. This form, approved by the Judicial Conference of the United States in September 1974, is required pursuant to Local Rule 3-1 is not filed but is used by the Clerk of the Court for the purpose of statistics, venue and initiating the civil docket sheet. (For more detailed instructions, see separate Instructions sheet.)

Key to Statistical codes relating to Social Security Cases:

Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action
861	HIA	All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b))
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405(g))
863	DIWW	All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405(g))
864	SSID	All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended.
865	RSI	All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. (g))

1 THOMAS P. O'BRIEN  
United States Attorney  
2 SANDRA R. BROWN  
Assistant United States Attorney  
3 Chief, Tax Division  
ANDREW T. PRIBE (CA SBN: 254904)  
4 Assistant United States Attorney  
300 N. Los Angeles Street  
5 Federal Building, Room 7211  
Los Angeles, California 90012  
6 Telephone: (213) 894-6551  
Facsimile: (213) 894-0115  
7 E-mail: [andrew.t.pribe@usdoj.gov](mailto:andrew.t.pribe@usdoj.gov)

8 Attorneys for the United States of America

9 UNITED STATES DISTRICT COURT  
10 CENTRAL DISTRICT OF CALIFORNIA  
11 SOUTHERN DIVISION

12 UNITED STATES OF AMERICA

13 Plaintiff,

14 vs.

15 COMCO MANAGEMENT  
CORPORATION; CONCORD  
16 FUNDING CO., LLC; METCO  
MANAGEMENT CORPORATION;  
17 MONEX CREDIT CO.; MONEX  
DEPOSIT CO.; NEWPORT  
18 SERVICE CORP.; and PCCE, Inc.,

19 Defendants.

Case No.:

Complaint to Reduce Federal Income  
Tax Assessments to Judgment and to  
Impose Alter Ego, Single Enterprise,  
Successor-in-Interest, and Transferee  
Liability.

20 The United States of America, Plaintiff, for its complaint against Comco  
21 Management Corporation; Concord Funding Co., LLC; Metco Management  
22 Corporation; Monex Credit Co.; Monex Deposit Co.; Newport Service Corp.; and  
23 PCCE, Inc., Defendants, states:

24 *Jurisdiction & Venue*

25 1. This is a civil action to reduce federal tax assessments to judgment  
26 and to recover from entities liable for these unpaid federal tax liabilities. This  
27 Court has jurisdiction under 26 U.S.C. § 7402 and 28 U.S.C. §§ 1331, 1340, and  
28

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

**NOTICE OF ASSIGNMENT TO UNITED STATES MAGISTRATE JUDGE FOR DISCOVERY**

This case has been assigned to District Judge James V. Selna and the assigned discovery Magistrate Judge is Marc Goldman.

The case number on all documents filed with the Court should read as follows:

**SACV08- 668 JVS (MLGx)**

Pursuant to General Order 05-07 of the United States District Court for the Central District of California, the Magistrate Judge has been designated to hear discovery related motions.

All discovery related motions should be noticed on the calendar of the Magistrate Judge

=====

**NOTICE TO COUNSEL**

*A copy of this notice must be served with the summons and complaint on all defendants (if a removal action is filed, a copy of this notice must be served on all plaintiffs).*

Subsequent documents must be filed at the following location:

☐ **Western Division**  
312 N. Spring St., Rm. G-8  
Los Angeles, CA 90012

☒ **Southern Division**  
411 West Fourth St., Rm. 1-053  
Santa Ana, CA 92701-4516

☐ **Eastern Division**  
3470 Twelfth St., Rm. 134  
Riverside, CA 92501

Failure to file at the proper location will result in your documents being returned to you.

ORIGINAL

United States Attorney's Office  
 SANDRA BROWN, Chief, Tax Division  
 ANDREW T. PRIBE, AUSA  
 300 N. Los Angeles Street, Room 7211  
 Los Angeles, CA 90012

UNITED STATES DISTRICT COURT  
 CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA

PLAINTIFF(S)

v.

Comco Management Corporation; Concord Funding  
 Co., LLC; Metco Management Corporation; Monex  
 Credit Co.; Monex Deposit Co.; Newport Service  
 Corp.; and PCCE, Inc.,

DEFENDANT(S).

CASE NUMBER

SACV08-00668 JVS (MLGx)

SUMMONS

TO: THE ABOVE-NAMED DEFENDANT(S):

YOU ARE HEREBY SUMMONED and required to file with this court and serve upon plaintiff's attorney  
 ANDREW T. PRIBE, whose address is:

United States Attorney's Office  
 300 North Los Angeles Street,  
 Room 7211 Tax Division  
 Los Angeles, CA 90012  
 Tel: (213) 894-6551 Fax: (213) 894-0115

an answer to the ☒ complaint ☐ amended complaint ☐ counterclaim ☐ cross-claim  
 which is herewith served upon you within 20 days after service of this Summons upon you, exclusive  
 of the day of service. If you fail to do so, judgement by default will be taken against you for the relief  
 demanded in the complaint.

Clerk, U.S. District Court

Dated: \_\_\_\_\_

JUN 13 2008

By: \_\_\_\_\_

Deputy Clerk

(Seal of the Court)



1 THOMAS P. O'BRIEN  
United States Attorney  
2 SANDRA R. BROWN  
Assistant United States Attorney  
3 Chief, Tax Division  
4 ANDREW T. PRIBE (CA SBN: 254904)  
Assistant United States Attorney  
5 300 N. Los Angeles Street  
Federal Building, Room 7211  
6 Los Angeles, California 90012  
Telephone: (213) 894-6551  
7 Facsimile: (213) 894-0115  
E-mail: [andrew.t.pribe@usdoj.gov](mailto:andrew.t.pribe@usdoj.gov)

8 Attorneys for the United States of America

9 UNITED STATES DISTRICT COURT  
10 CENTRAL DISTRICT OF CALIFORNIA  
11 SOUTHERN DIVISION

12 UNITED STATES OF AMERICA

13 Plaintiff,

14 vs.

15 COMCO MANAGEMENT  
CORPORATION; CONCORD  
16 FUNDING CO., LLC; METCO  
MANAGEMENT CORPORATION;  
17 MONEX CREDIT CO.; MONEX  
DEPOSIT CO.; NEWPORT  
SERVICE CORP.; and PCCE, Inc.,

18 Defendants.

Case No.: SACV08-00668 JVS (MLGx)

Complaint to Reduce Federal Income  
Tax Assessments to Judgment and to  
Impose Alter Ego, Single Enterprise,  
Successor-in-Interest, and Transferee  
Liability.

19 The United States of America, Plaintiff, for its complaint against Comco  
20 Management Corporation; Concord Funding Co., LLC; Metco Management  
21 Corporation; Monex Credit Co.; Monex Deposit Co.; Newport Service Corp.; and  
22 PCCE, Inc., Defendants, states:

23 *Jurisdiction & Venue*

24  
25 1. This is a civil action to reduce federal tax assessments to judgment  
26 and to recover from entities liable for these unpaid federal tax liabilities. This  
27 Court has jurisdiction under 26 U.S.C. § 7402 and 28 U.S.C. §§ 1331, 1340, and  
28



1 1345.

2 2. This action is brought at the direction of the Attorney General of the  
3 United States and at the request and with the authorization of the Chief Counsel of  
4 the Internal Revenue Service, a delegate of the Secretary of the Treasury, pursuant  
5 to 26 U.S.C. §§ 7401 and 7403.

6 3. Venue for the action is within the Central District of California under  
7 28 U.S.C. §§ 1391(b) and 1396 because all Defendants reside in this district for  
8 purposes of venue.

9  
10 *Defendants, other relevant entities, and terminology.*

11 4. Comco Management Corporation is a California corporation and has  
12 its principal place of business at 4910 Birch Street, Newport Beach, California.

13 5. Concord Funding LLC is a California limited liability company with  
14 its principal place of business at 4910 Birch Street, Newport Beach, California.

15 6. Monex Credit Company is a California limited partnership with its  
16 principal place of business at 4910 Birch Street, Newport Beach, California.

17 7. Monex Deposit Company a California limited partnership with its  
18 principal place of business at 4910 Birch Street, Newport Beach, California.

19 8. Monex International, Ltd., was a California corporation that merged  
20 into Monex Corporation. Monex Corporation changed its name to PCCE, Inc.  
21 Monex International, Ltd., had its principal place of business at 4910 Birch Street,  
22 Newport Beach, California.

23 9. Metco Management Corporation is a California corporation and has  
24 its principal place of business at 4910 Birch Street, Newport Beach, California.

25 10. PCCE, Inc., (f/k/a Monex Corporation) is the successor of Monex  
26 International, Ltd., and has its principal place of business at either 4910 Birch  
27 Street, Newport Beach, California, or 2102 Business Center Drive, # 220L, Irvine,  
28 California.

11. Newport Service Corporation is a California corporation with its principal place of business at 4910 Birch Street, Newport Beach, California.

12. The term "federal tax liabilities" refers to the tax liabilities specified in Count I and in paragraph 40 of Count II.

13. The term "Monex Enterprise" refers to the collective activity of the entities specified above in the leveraged sale of precious metals to the public.

14. The term "New Monex Entities" refers to Comco Management Corporation, Concord Funding LLC, Metco Management Corporation, Monex Credit Company, Monex Deposit Company, and Newport Service Corporation.

15. The term "Principals of the Monex Enterprise" refers to Louis Carabini and Michael Carabini. Other Principals of the Monex Enterprise are believed to include Kimbrough Bassett, John Tate, and Gregory Walker.

# **COUNT I** **Claim to reduce federal tax assessments to judgment**

16. The United States realleges paragraph 1 through 15.

17. On June 15, 1998, a delegate of the Secretary of the Treasury timely made assessments of federal income tax against Monex International, Ltd., for the years 1980, 1981, 1982, 1983, and 1984. The total balance of those assessments, plus statutory accruals, less credits, is:

Year	Total Assessments	Total Credits	Assessed Balance	Accrued Interest	Accrued Failure to Pay Penalty	Total Balance (as of June 15, 2008)
1980	\$35,356,587.71	\$9,422,171.89	\$25,934,415.82	\$57,853,213.09	\$0	\$83,787,628.91
1981	\$29,800,455.33	\$0	\$29,800,455.33	\$56,136,348.52	\$940,288.75	\$86,877,092.60
1982	\$53,861,309.20	\$0	\$53,861,309.20	\$93,822,426.47	\$1,411,738.75	\$149,095,474.42
1983	\$128,499.04	\$0	\$129,449.04	\$50,482.49	\$2,568.50	\$181,500.13
1984	\$24,018,087.31	\$0	\$24,018,087.31	\$33,245,880.30	\$1,031,498.75	\$58,295,466.36

**Total outstanding balance (as of June 15, 2008): \$378,237,162.42**

1 18. Proper and timely notice and demand for payment of these tax  
2 assessments has been made on Monex International, Ltd.

3 19. Despite timely notice and demand for payment of these tax  
4 assessments, Monex International Ltd. has not fully paid the assessments.

5 20. Monex International merged into Monex Corporation.

6 21. Through the merger of Monex International into Monex Corporation,  
7 Monex Corporation assumed the liabilities of Monex International.

8 22. Monex Corporation changed its name to PCCE, Inc.

9 23. As successor to Monex International, Ltd., PCCE, Inc., is liable for  
10 the federal tax assessments.

11 24. The United States is entitled to judgment against PCCE, Inc., in the  
12 amount of \$378,237,162.42 through June 15, 2008, plus subsequent statutory  
13 accruals including interest and penalties plus costs and expenses.

14  
15 **COUNT II**

16 **Claim to impose alter-ego / single-enterprise liability**

17 ***General allegations***

18 25. The United States realleges paragraphs 1 through 24.

19 26. The New Monex Entities are liable for the unpaid federal tax  
20 assessments of Monex International, Ltd., because they are the alter egos of and  
21 constitute a single enterprise with Monex International, Ltd.

22 27. The New Monex Entities share common ownership and interest with  
23 Monex International because Louis Carabini owned and controlled Monex  
24 International and owns and controls the New Monex Entities.

25 28. Recognition of the corporate separateness of the New Monex Entities  
26 would be unjust as to the United States because:

- 27 a. Principals of the Monex Enterprise began the New Monex  
28 Entities in an attempt to escape liability for the federal tax

- 1 liabilities of Monex International;
- 2 b. Principals of the Monex Enterprise sought to divert future
- 3 revenues of the Monex Enterprise away from Monex
- 4 International and into the New Monex Entities in an attempt to
- 5 shield such future revenues of the Monex Enterprise from
- 6 exposure to the federal tax liabilities;
- 7 c. In their dealings with the general public, Principals of the
- 8 Monex Enterprise sought to blend together Monex
- 9 International and the New Monex Entities in an effort to
- 10 capitalize on the name, history, and goodwill of Monex
- 11 International while using the purported corporate separateness
- 12 of the entities to shield proceeds from the Monex Enterprise
- 13 from exposure to the federal tax liabilities.
- 14 d. Principals of the Monex Enterprise used the resources of
- 15 Monex International in furtherance of the Monex Enterprise
- 16 while diverting the proceeds of the Monex Enterprise to the
- 17 New Monex Entities.
- 18 e. Principals of the Monex Enterprise fragmented the Monex
- 19 Enterprise into interdependent but separate entities in an effort
- 20 to shield the proceeds of the Monex Enterprise from exposure
- 21 to the federal tax liabilities.
- 22

23 *Supporting allegations*

24 *The Continuing Tax Liabilities of Monex International*

25 29. When the Principals of the Monex Enterprise transferred the Monex

26 Enterprise from Monex International to the New Monex Entities, they were aware

27 of significant exposure for federal tax liability of Monex International.

28 30. From 1980 to 1985, Monex International engaged in an abusive tax

1 shelter by which they reported and paid less tax than was due.

2 31. In March 1982, after an IRS audit, the IRS issued a notice of  
3 proposed deficiency (commonly known as a "30-day letter") to Monex  
4 International for years 1972 through 1975 for about \$5.8 million (not including  
5 interest and penalties).

6 32. In 1986, the United States Tax Court issued its decision in *Glass v.*  
7 *Commissioner*, 87 T.C. 1087 (T.C. 1986).

8 33. In *Glass*, the Tax Court disallowed purported losses on straddle  
9 transactions on the London Metal Exchange because the transactions were shams  
10 without economic substance.

11 34. The abusive tax-shelter transactions engaged in by Monex  
12 International in 1980 through 1984 were substantially similar to the abusive tax-  
13 shelter transactions that were the subject of the *Glass* case.

14 35. In January 1988, after an IRS audit, the IRS issued a 30-day letter to  
15 Monex International for years 1976 to 1979 stating the IRS's determination that  
16 Monex International had a federal tax deficiency of about \$1.8 million (not  
17 including interest and penalties).

18 36. In August 1988, after an IRS audit, the IRS issued a 30-day letter to  
19 Monex International for years 1980 and 1981 stating the IRS determination that  
20 Monex International had a federal tax deficiency of about \$51.2 million (not  
21 including interest and penalties).

22 37. In January 1990, the IRS issued a statutory notice of deficiency to  
23 Monex International stating the IRS determination that Monex International had a  
24 federal tax deficiency of about \$6.3 million for the tax years 1972 through 1979.

25 38. In April 1990, Monex International filed suit in the United States Tax  
26 Court regarding the 1972 through 1979 deficiencies.

27 39. This 1990 Tax Court suit was not resolved until March 1995.

28 40. Regarding the 1990 Tax Court suit, the Government and the Monex



1 International stipulated to a determination of deficiencies for the 1974 and 1978  
2 tax years. The Tax Court entered judgment pursuant to the stipulation and these  
3 deficiencies were assessed in 1995.

4 41. In August 1992, the IRS issued a statutory notice of deficiency to  
5 Monex International stating the IRS determination that Monex International had a  
6 federal tax deficiency of about \$172.4 million (not including interest and  
7 penalties) for tax years 1980 through 1984.

8 42. In October 1992, Monex International filed suit in the United States  
9 Tax Court regarding the 1980 through 1984 deficiencies.

10 43. This 1992 Tax Court suit was not resolved until February 1998 when  
11 the Government and Monex International stipulated to a determination of  
12 deficiencies for the 1980 through 1984 tax years.

13 44. The Tax Court entered judgment in February 1998 pursuant to the  
14 stipulation which resulted in the tax assessments for the 1980 through 1984 years  
15 which are at issue in this case.

16 45. A suit in the Tax Court generally restrains the IRS from assessing the  
17 tax, levying on property, or filing suit to collect the deficiency.

18  
19 *The Principals of the Monex Enterprise altered the Corporate Structure to Avoid*  
20 *the Tax Liability While Continuing the Monex Enterprise*

21 46. The Monex Enterprise is engaged in the leveraged sales of precious  
22 metals to the general public. The Monex Enterprise makes money from their  
23 customers through commissions, fees, monthly interest, and service charges.

24 47. Beginning in the late 1980s and continuing through the early 1990s,  
25 the Principals of the Monex Enterprise transferred the operation of the Monex  
26 Enterprise from Monex International to the New Monex Entities in an effort to  
27 avoid exposure of the proceeds from the Monex Enterprise to outstanding federal  
28 tax liabilities.

1           48. Monex Deposit Company and Monex Credit Company are California  
2 Limited Partnerships formed in 1987 and constitute the core of the New Monex  
3 Entities.

4           49. Monex Deposit Company engages in the retail sale of precious  
5 metals.

6           50. Monex Credit Company provides financing to customers of Monex  
7 Deposit Company in the leveraged purchase of precious metals.

8           51. Newport Service Corporation provides the other entities of the Monex  
9 Enterprise with all administrative, data processing, personnel, accounting, legal,  
10 purchasing and other operational services.

11           52. Concord Funding Co., LLC, is a controlled entity of Monex Deposit  
12 Company and Monex Credit Company.

13           53. Concord Funding Co., LLC, is integrally tied to the Monex Enterprise  
14 through various agreements entered into by Concord Funding, Monex Deposit  
15 Company, and Monex Credit Company in 1995 and 2002.

16           54. Comco Management Company is the general partner of Monex  
17 Deposit Company.

18           55. Metco Management Company is the general partner of Monex Credit  
19 Company.

20           56. Although Louis Caribani owned and controlled Monex International  
21 and owns and controls the New Monex Entities, there were no mutual equity  
22 interests as between Monex International and the New Monex Entities.

23           57. Beginning in 1988, employees of Monex International were shifted to  
24 Newport Service Corporation.

25           58. By 1990, Monex International had no employees.

26           59. During and around 1991 many of the employees were shifted from  
27 Newport Service Corporation to Monex Deposit Corporation.

28           60. The Monex Enterprise used the same telephone numbers—800-854-



1 3361 and (714) 752-1400— both before and after the shift of the Monex  
2 Enterprise from Monex International to the New Monex Entities.

3 61. The Monex Enterprise used the same office space—4910 Birch  
4 Street, Newport Beach, California—both before and after the shift of the Monex  
5 Enterprise from Monex International to the New Monex Entities.

6 62. The Principals of the Monex Enterprise controlled the assets of both  
7 Monex International and the New Monex Entities.

8 63. The Principals of the Monex Enterprise transferred the goodwill of  
9 Monex International and the Monex Enterprise to the New Monex Entities.

10 64. In promotional materials believed to have been used by the New  
11 Monex Entities in June 1990, Monex Credit Company and Monex Deposit  
12 Company were identified as being “affiliate companies” of Monex International,  
13 Ltd.

14 65. Since at least December 1996, Monex Deposit Company—through its  
15 website monex.com—has sought to capitalize on the name, history, and goodwill  
16 of the Monex Enterprise from long before the existence of the New Monex  
17 Entities.

18 66. In December 1996, Monex Deposit Company on its website  
19 represented that the “Monex group of companies have served the precious metals  
20 investing public since 1967.” It stated: “Monex affiliated companies have been  
21 offering precious metals investments since 1967. Monex Deposit Company  
22 (MDC) and its affiliates have executed transaction with customers totaling over  
23 \$14 billion.”

24 67. In August 2006, Monex Deposit Company represented on its website:  
25 “Monex is the largest and oldest investment firm offering precious metals to the  
26 individual investor and as such we have products and programs that we believe are  
27 unique in the industry. Our 30-year history is a testimonial to the fact that we  
28 know this business and provide a real service to the investing public.”

1           68. In August 2006, Monex Deposit Company represented on its website:  
2       “Monex has the experience, expertise and resources to serve most any precious  
3       metals investor’s needs. Since 1967, well over one hundred thousand investors  
4       have purchased billions of dollars of gold, silver, platinum and palladium bullion  
5       and bullion coins from Monex.”

6           69. In February 2007, Monex Deposit Company represented itself to the  
7       public on its website as being “America’s most trusted name in precious metals for  
8       more than 30 years.”

9           70. In February 2007, Monex Deposit Company on its website  
10       represented that the “Monex group of companies was founded by Louis E.  
11       Carabini in 1967 . . . .” “For over 30 years, the Monex companies have been  
12       America’s gold and precious metals investment leader.” “Today, three generations  
13       of the Carabini family are now working with the Monex companies, including  
14       founder Louis Carabini . . . his son, Michael, . . . and his daughter, Christina. In  
15       addition, more than 20% of Monex employees have been with the company for a  
16       decade or more . . . many of them for over 25 years.”

17           71. The United States is entitled to judgment against Comco Management  
18       Corp.; Concord Funding, Co. LLC; Metco Management Corp.; Monex Credit Co.;  
19       Monex Deposit Co.; and Newport Service Corp. in the amount of \$378,237,162.42  
20       through June 15, 2008, plus subsequent statutory accruals including interest and  
21       penalties plus costs and expenses because they are the alter egos of and constitute  
22       a single enterprise with Monex International, Ltd.

### 23 24   COUNT III

#### 25                           Claim to impose successor-in-interest liability

26           72. The United States realleges paragraphs 1 through 71.

27           73. The New Monex Entities are liable for the unpaid federal tax  
28       assessments against Monex International, Ltd., because they are the successors-in-

1 interest to Monex International, Ltd.

2 74. The New Monex Entities assumed the Monex Enterprise, and its  
3 employees, location, phone numbers, and goodwill during the late 1980s and early  
4 1990s without providing fair consideration to Monex International.

5 75. Through the conveyance of the Monex Enterprise, the United States  
6 is left without recourse against Monex International.

7 76. The United States is entitled to judgment against Comco Management  
8 Corp.; Concord Funding, Co. LLC; Metco Management Corp.; Monex Credit Co.;  
9 Monex Deposit Co.; and Newport Service Corp. in the amount of \$378,237,162.42  
10 through June 15, 2008, plus subsequent statutory accruals including interest and  
11 penalties plus costs and expenses because they are the successors-in-interest of  
12 Monex International, Ltd.

13  
14 **COUNT IV**

15 **Claim to impose fraudulent-conveyee liability**

16 77. The United States realleges paragraphs 1 through 76.

17 78. The New Monex Entities are liable to the United States for the assets  
18 received from Monex International and their proceeds because the New Monex  
19 Entities are the fraudulent conveyees of the Monex Enterprise, and its employees,  
20 location, phone numbers, and goodwill from Monex International, Ltd.

21 79. The transfer of the Monex Enterprise, and its employees, location,  
22 phone numbers, and goodwill during the late 1980s and early 1990s was made  
23 with the intent to prevent the United States from reaching the assets and income of  
24 the Monex Enterprise.

25 80. The transfer of the Monex Enterprise and its employees, location,  
26 phone numbers, and goodwill was without receiving reasonably equivalent value  
27 in return and while the Principals of Monex believed or reasonably should have  
28 believed that Monex International would be without resources to pay the

1 outstanding federal tax liability.

2 81. The New Monex Entities assumed the Monex Enterprise, and its  
3 employees, location, phone numbers, and goodwill during the late 1980s and early  
4 1990s without providing fair consideration to Monex International.

5 82. The United States is entitled to judgment against Comco Management  
6 Corp.; Concord Funding, Co. LLC; Metco Management Corp.; Monex Credit Co.;  
7 Monex Deposit Co.; and Newport Service Corp. as fraudulent conveyees of  
8 Monex International, Ltd., and attaching the assets transferred and their proceeds  
9 in satisfaction of the Government's claim.

10  
11 WHEREFORE, the United States of America requests the Court to:

12 (a) Enter judgment against PCCE, Inc., in the amount of \$378,237,162.42  
13 as of June 15, 2008 plus subsequent statutory accruals including interest and  
14 penalties plus costs and expenses;

15 (b) Find that Comco Management Corp.; Concord Funding Co., LLC;  
16 Metco Management Corp.; Monex Credit Co.; Monex Deposit Co.; and Newport  
17 Service Corp. are the alter egos of and constituted a single enterprise with Monex  
18 International, Ltd.;

19 (c) Find that Comco Management Corp.; Concord Funding Co., LLC;  
20 Metco Management Corp.; Monex Credit Co.; Monex Deposit Co.; and Newport  
21 Service Corp. are successors-in-interest of Monex International, Ltd.;

22 (d) Enter judgment against Comco Management Corp.; Concord Funding  
23 Co., LLC; Metco Management Corp.; Monex Credit Co.; Monex Deposit Co.; and  
24 Newport Service Corp. in the amount of \$378,237,162.42 plus subsequent  
25 statutory accruals including interest and penalties plus costs and expenses;

26 (e) Find that Comco Management Corp.; Concord Funding Co., LLC;  
27 Metco Management Corp.; Monex Credit Co.; Monex Deposit Co.; and Newport  
28 Service Corp. are fraudulent conveyees of the Monex Enterprise from Monex

1 International, Ltd.;

2 (f) Enter judgment against Comco Management Corp.; Concord Funding  
3 Co., LLC; Metco Management Corp.; Monex Credit Co.; Monex Deposit Co.; and  
4 Newport Service Corp., for the assets transferred and their proceeds and attach  
5 those assets and their proceeds in satisfaction of the Government's claim; and

6 (g) Order any further relief it deems just and appropriate.  
7

8 DATED: June 13, 2008

THOMAS P. O'BRIEN  
United States Attorney

10 SANDRA R. BROWN  
Assistant United States Attorney  
11 Chief, Tax Division

12  
13 ANDREW PRIBE  
Assistant United States Attorney

14 Attorney for Defendant  
15 United States of America  
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Pribe declaration dated Nov. 17, 2009  
Exhibit 2



Pribe, Andrew T. (USACAC)

---

From: Rob Rewardtax [rob@rewardtax.com]  
Sent: Thursday, April 30, 2009 8:34 AM  
To: rob@rewardtax.com; Pribe, Andrew T. (USACAC)  
Cc: tom@rewardtax.com  
Subject: New Whistleblower Case

AUSA Andrew Pribe:

You and I spoke on Monday night regarding U.S. v. Comco Management Corp., et al., Case No. 8:08-cv-00668 (C.D. Cal. filed June 13, 2008). At your convenience, I would like to have a teleconference with you and Revenue Officer Dan Smith, if available, to further discuss the barriers to my clients coming forward to provide additional information and assistance to you in this matter.

I spoke to the IRS Whistleblower Office on Tuesday. The person in the Whistleblower Office, with whom I am corresponding, is Al Gibson (phone # 713-209-3725). I copied you on the email that I sent to the Whistleblower Office before I spoke to Al Gibson.

My clients first contacted RO Dan Smith in 1994. RO Dan Smith knows my clients' only by the alias of "Sue." Between 1994-1999, my clients sent 15 or more packages to RO Dan Smith & other IRS employees regarding and/or including (1) alter ego corporations created for the purpose of avoiding the payment of tax, (2) general ledgers, (3) purchase/sell agreements between related companies at discounted values for the purpose of avoiding the payment of tax, (4) invoices for alleged employees who performed services at the residence of the principal of the taxpayers, which were improperly deducted as business expense, (5) details & spreadsheets regarding the allocation of expenses to taxpayers/entities for the purpose of depleting the equity of the taxpayers from 1987-1994 (leaving equity of only \$3.7 million) to avoid the payment of tax, and (6) details of a Charles Schwab account of the taxpayers with approximately \$700,000 of silver commodities (which RO Dan Smith was able to seize for the IRS).

My clients have additional information that we believe will materially assist you in this case.

However, as you are surely aware, my clients risk significant retribution by the taxpayers and the principals of the taxpayers should my clients be exposed as Whistleblowers/Informants. My clients fear for their safety. This is why my clients have acted anonymously up through the date of this email.

IRC s. 7623(b) states that any informant, who provides "substantial and credible information" to the IRS or DOJ after December 2006 that leads to the collection of tax, is entitled to a reward of at least 15% of the amount collected.

The Whistleblower Office has announced that Whistleblowers/Informants who already provided information prior to December 2006 are generally excluded under IRC s. 7623(b). However, an exception exists if the Whistleblower/Informant provides **additional** information after December 2006, which materially assists the IRS or DOJ in the assessment or collection of tax.

In determining whether a reward should be paid, it is the policy of the Whistleblower Office to contact the government employees who were responsible for handling a case to obtain their input. Thus, assuming that my clients come forward and provide **additional** information & documentation to help you and the DOJ to win this case, I believe the Whistleblower Office will come to you and RO Dan Smith for input regarding whether my clients should receive a reward.

Based upon my interpretation of IRC s. 7623(b), my clients' ability to qualify for a reward under IRC s. 7623(b) is materially dependent upon your mindset and recommendation. For example, if you are of the present mindset that you will win this case with or without my clients' further assistance--in other words, you currently believe that you have a very strong case even without my clients providing additional information & documentation--my clients will not be entitled to a reward no matter how good my clients' additional information is for your case--because, under such hypothetical, you don't need my clients' information to win the case. You would have won the case anyway, and, thus, my clients didn't provide substantial and credible information that led to the collection of tax.

As you can imagine, my clients are not interested in coming forward and risking further exposure unless there is a strong chance for a reward under IRC s. 7623(b).



#1378

I contacted the Whistleblower Office regarding the possibility of obtaining a contract, which is allowed by IRC s. 7623(b). In the contract, I am asking the IRS to (1) waive its potential argument that my clients are Whistleblowers/Informants who already provided information prior to December 2006 and are generally excluded under IRC s. 7623(b). In addition, I am asking the IRS to (2) waive its argument that you would have won the case anyway, and, thus, my clients didn't provide substantial and credible evidence that led to the collection of tax.

During my conversations with Al Gibson of the Whistleblower Office, he told me that the IRS is generally not inclined to agree to my requests (1) & (2) without first receiving all of the information from my clients. Thus, the Whistleblower Office wants my clients to fully divulge their names and information, participate in your trial as potential witnesses, and provide any other cooperation asked of them **before** the Whistleblower Office decides whether it will raise arguments (1) & (2) to deny my clients a reward. As you can imagine, my clients are generally not inclined to agree to this scenario.

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If you are amenable to a teleconference to further discuss this case with me, please let me know. I will make myself available at your convenience.

Very truly yours,

Robert J. Stientjes  
S & P Law Firm LLC  
1120 Olivette Executive Parkway  
Suite 220  
Saint Louis, Missouri 63132  
314.743.3292 direct telephone  
314.872.3988 main office  
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<hr size=2 width="100%" align=center tabindex=-1>

**From:** Rob Rewardtax  
**Sent:** Monday, April 27, 2009 7:33 PM  
**To:** 'robert.b.gardner@irs.gov'  
**Cc:** 'tom@rewardtax.com'; 'andrew.t.pribe@usdoj.gov'  
**Subject:** New Whistleblower Case

TO: IRS Whistleblower Office

Attn: Robert Gardner

Dear Bob,

At your earliest convenience, I need to speak to you about a new case that I have. A brief explanation of the facts is as follows:

Corporation A has an outstanding tax assessment of \$378 million arising from a tax shelter/listed transaction. The assessment stems from a Tax Court case that concluded in 1999. Corporation A was obviously the big loser. Before losing the case, the principals of Corporation A "stripped it clean" so that the IRS could collect nothing. In 2008, the IRS and DOJ initiated a Court case against Corporation A and others to preserve the statute of limitations on collection, reduce the claim to judgment, and determine that there is successor liability. The name of this collection case is U.S. v. Comco Management Corp., et al., Case No. 8:08-cv-00668 (C.D. Cal. filed June 13, 2008). The Complaint is attached to this email. This collection case is currently pending in the district court.

My client acted as an anonymous informant between 1995-1999 in providing information to an IRS revenue officer regarding attempts to avoid collection of tax by the principals of Corporation A. Based on information and belief, the IRS/DOJ is relying heavily on information provided by my client in the above referenced collection case. Best of all, my client has lots more information that would be extremely helpful to the IRS/DOJ in the above referenced collection case. My client can provide original records going back to the early 1990's, which clearly show that successor liability exists and that several defendant corporations are alter egos of Corporation A. In essence, my client believes he can give additional information, which will make the above-referenced collection case a "slam dunk" for the IRS/DOJ. As stated above, all information was provided by my client to the IRS/DOJ anonymously between 1995-1999. The IRS/DOJ does not know the identity of my client, and the IRS/DOJ will not find my client and obtain the additional information on their own.

My client wants to be brought in under the post-December 2006 law. Without this assurance by the Whistleblower Office, he is not interested in providing further cooperation. Thus, my client is looking for a contract – as allowed by IRC s. 7623. Although you have told me that the Whistleblower Office has not entered into any contracts since the law changed in December 2006, I am hoping that this unique set of circumstances will cause the Whistleblower Office to explore this option.

Please let me know when we can schedule a time to talk about this scenario further.

I am copying Andrew Pribe, the AUSA, who filed the above referenced collection case. I made contact with Mr. Pribe today.

Robert J. Stientjes  
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Pribe declaration dated Nov. 17, 2009  
Exhibit 3

Pribe, Andrew T. (USACAC)

---

**From:** Pribe, Andrew T. (USACAC)  
**Sent:** Thursday, April 30, 2009 1:45 PM  
**To:** Rob Rewardtax  
**Cc:** tom@rewardtax.com  
**Subject:** RE: New Whistleblower Case

Mr. Stientjes,

I have received your e-mail. I will review this.

Andrew Pribe

---

**From:** Rob Rewardtax [mailto:rob@rewardtax.com]  
**Sent:** Thursday, April 30, 2009 8:34 AM  
**To:** rob@rewardtax.com; Pribe, Andrew T. (USACAC)  
**Cc:** tom@rewardtax.com  
**Subject:** New Whistleblower Case

AUSA Andrew Pribe:

You and I spoke on Monday night regarding U.S. v. Comco Management Corp., et al., Case No. 8:08-cv-00668 (C.D. Cal. filed June 13, 2008). At your convenience, I would like to have a teleconference with you and Revenue Officer Dan Smith, if available, to further discuss the barriers to my clients coming forward to provide additional information and assistance to you in this matter.

I spoke to the IRS Whistleblower Office on Tuesday. The person in the Whistleblower Office, with whom I am corresponding, is Al Gibson (phone # 713-209-3725). I copied you on the email that I sent to the Whistleblower Office before I spoke to Al Gibson.

My clients first contacted RO Dan Smith in 1994. RO Dan Smith knows my clients' only by the alias of "Sue." Between 1994-1999, my clients sent 15 or more packages to RO Dan Smith & other IRS employees regarding and/or including (1) alter ego corporations created for the purpose of avoiding the payment of tax, (2) general ledgers, (3) purchase/sell agreements between related companies at discounted values for the purpose of avoiding the payment of tax, (4) invoices for alleged employees who performed services at the residence of the principal of the taxpayers, which were improperly deducted as business expense, (5) details & spreadsheets regarding the allocation of expenses to taxpayers/entities for the purpose of depleting the equity of the taxpayers from 1987-1994 (leaving equity of only \$3.7 million) to avoid the payment of tax, and (6) details of a Charles Schwab account of the taxpayers with approximately \$700,000 of silver commodities (which RO Dan Smith was able to seize for the IRS).

My clients have additional information that we believe will materially assist you in this case.

However, as you are surely aware, my clients risk significant retribution by the taxpayers and the principals of the taxpayers should my clients be exposed as Whistleblowers/Informants. My clients fear for their safety. This is why my clients have acted anonymously up through the date of this email.

IRC s. 7623(b) states that any informant, who provides "substantial and credible information" to the IRS or DOJ after December 2006 that leads to the collection of tax, is entitled to a reward of at least 15% of the amount collected.

The Whistleblower Office has announced that Whistleblowers/Informants who already provided information prior to December 2006 are generally excluded under IRC s. 7623(b). However, an exception exists if the Whistleblower/Informant provides **additional** information after December 2006, which materially assists the IRS or DOJ in the assessment or collection of tax.

In determining whether a reward should be paid, it is the policy of the Whistleblower Office to contact the government employees who were responsible for handling a case to obtain their input. Thus, assuming that my clients come forward and provide **additional** information & documentation to help you and the DOJ to win this case, I believe the Whistleblower Office will come to you and RO Dan Smith for input regarding whether my clients should receive a reward.

Based upon my interpretation of IRC s. 7623(b), my clients' ability to qualify for a reward under IRC s. 7623(b) is materially dependent upon your mindset and recommendation. For example, if you are of the present mindset that you will win this case with or without my clients' further assistance--in other words, you currently believe that you have a very strong case even without my clients providing additional information & documentation--my clients will not be entitled to a reward no matter how good my clients' additional information is for your case--because, under such hypothetical, you don't need my clients' information to win the case. You would have won the case anyway, and, thus, my clients didn't provide substantial and credible information that led to the collection of tax.

As you can imagine, my clients are not interested in coming forward and risking further exposure unless there is a strong chance for a reward under IRC s. 7623(b).

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#1383  
<hr size=2 width="100%" align=center tabindex=-1>

**From:** Rob Rewardtax  
**Sent:** Monday, April 27, 2009 7:33 PM  
**To:** 'robert.b.gardner@irs.gov'  
**Cc:** 'tom@rewardtax.com'; 'andrew.t.pribe@usdoj.gov'  
**Subject:** New Whistleblower Case

TO: IRS Whistleblower Office

Attn: Robert Gardner

Dear Bob,

At your earliest convenience, I need to speak to you about a new case that I have. A brief explanation of the facts is as follows:

Corporation A has an outstanding tax assessment of \$378 million arising from a tax shelter/listed transaction. The assessment stems from a Tax Court case that concluded in 1999. Corporation A was obviously the big loser. Before losing the case, the principals of Corporation A "stripped it clean" so that the IRS could collect nothing. In 2008, the IRS and DOJ initiated a Court case against Corporation A and others to preserve the statute of limitations on collection, reduce the claim to judgment, and determine that there is successor liability. The name of this collection case is U.S. v. Comco Management Corp., et al., Case No. 8:08-cv-00668 (C.D. Cal. filed June 13, 2008). The Complaint is attached to this email. This collection case is currently pending in the district court.

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Pribe declaration dated Nov. 17, 2009  
Exhibit 4

**Pribe, Andrew T. (USACAC)**

---

**From:** Pribe, Andrew T. (USACAC)  
**Sent:** Friday, May 08, 2009 3:37 PM  
**To:** Rob Rewardtax  
**Cc:** tom@rewardtax.com  
**Subject:** RE: New Whistleblower Case

Mr. Stientjes,

Whether your clients qualify under the IRS's rules for a reward is a matter for the IRS to decide, not me.

My understanding is that your clients have represented themselves as percipient witnesses to events that may be relevant to the case. As such, their testimony may be compelled by subpoena regardless of whether they agree or not. Once formal discovery begins, it is likely that one or more of them will be served with a deposition subpoena. Presumably, once this occurs they lose any ability to claim whistle-blower status.

Andrew Pribe

---

**From:** Rob Rewardtax [mailto:rob@rewardtax.com]  
**Sent:** Thursday, April 30, 2009 8:34 AM  
**To:** rob@rewardtax.com; Pribe, Andrew T. (USACAC)  
**Cc:** tom@rewardtax.com  
**Subject:** New Whistleblower Case

AUSA Andrew Pribe:

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**Sent:** Monday, April 27, 2009 7:33 PM  
**To:** 'robert.b.gardner@irs.gov'  
**Cc:** 'tom@rewardtax.com'; 'andrew.t.pribe@usdoj.gov'  
**Subject:** New Whistleblower Case

TO: IRS Whistleblower Office

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Pribe declaration dated Nov. 17, 2009  
Exhibit 5

**Pribe, Andrew T. (USACAC)**

---

**From:** Rob Rewardtax [rob@rewardtax.com]  
**Sent:** Friday, May 08, 2009 4:26 PM  
**To:** Pribe, Andrew T. (USACAC)  
**Subject:** Response  
**Attachments:** 5.8.09.informer.privilege.ltr.pdf

Mr. Pribe,

Thank you for your response via email to my previous letter. I am including another letter, which memorializes my clients' request that you do everything in your power to preserve their confidentiality and anonymity using the Informant's Privilege.

I would still like to speak via telephone with regards to your case. By working together, my clients and I can assist you to present a very strong case, and my clients and I can assist you and the IRS in finding more hidden assets of the Defendants and their principals.

Very truly yours,

Robert J. Stientjes  
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www.rewardtax.com

**S & P LAW FIRM, LLC**

1120 Olivette Executive Parkway

Suite 220

St. Louis, MO 63132

314-872-3988 Telephone

314-872-7374 Facsimile

**PRIVILEGED &  
CONFIDENTIAL  
COMMUNICATION**

May 8, 2009

**VIA ELECTRONIC MAIL**

Andrew T. Pribe  
Office of the U.S. Attorney  
300 North Los Angeles Street  
Room 7211  
Los Angeles, CA 90012

Re: Protection of Informants in U.S. v. Comco Management Corp., et al.,  
Case No. 8:08-cv-00668 (C.D. Cal. filed June 13, 2008).

Dear Mr. Pribe:

As we previously discussed during our teleconference on April 27, 2009, I represent informants who previously provided information to the Internal Revenue Service that is relevant to the above referenced case. The informants sent information to the Internal Revenue Service that applies to both alter ego liability and other unrelated alleged fraudulent transactions (non-alter ego) of Defendants, between 1994 and 1999.

The information provided by the informants assisted Revenue Officer Dan Smith in seizing assets of Defendants as follows:

Location of Assets Seized	Date of Seizure	Amount Seized
Union Bank	4/22/97	\$ 409,463.79
Charles Schwab	6/11/97	\$ 285,855.89
Farmers & Merchants Bank	5/12/97	\$ 602,522.16
Oppenheimer & Co.	5/23/97	\$ 200,000.00
Oppenheimer & Co.	6/16/97	\$ 287,514.20
<b>TOTAL</b>		<b>\$ 1,785,356.04</b>

[One of the collection steps taken by Revenue Officer Dan Smith was the seizure of 30 Comex Silver Warehouse Receipts through ED & F MAN INTERNATIONAL INC. that was forwarded through Oppenheimer & Co. It is unknown whether the value of this seizure is included in the amounts above.]

Some of the non-alter ego packages included: (1) invoices for alleged employees who performed services at the residence of the principal of the Defendants, which were improperly

deducted as business expense; (2) information regarding the failure to include the value of sales incentive and awards trips on Forms W-2 issued to employees; and (3) information regarding questions posed by Revenue Officers Dan Smith and Revenue Agent K.C. Peredo involving other related entities such as UniMet Trading Corporation and UniMet Credit Corporation. There was also an audit for Newport Service Corporation that took place in 1994-1995 for years 1989 and 1990. The Internal Revenue Service determined that Newport Service Corporation overstated expenses by approximately \$ 750,000 during the years at issue. These non-alter ego packages are unrelated to the issues in the above referenced collection case.

The items included in the packages are items that the Defendants would identify as only available and directly traceable to the informants. Thus, providing the contents of the packages would immediately identify the informants to the Defendants.

The informants are very concerned about confidentiality and ask that you take all reasonable and legal steps to protect their identity. The informants are aware that someone within the government has already "let slip" to the Defendants that the government has received informant information regarding the issues in this case. As of the date of this letter, the Defendants are diligently seeking to identify the individual(s) who provided the informant information. In addition, the Defendants are in the process of preparing discovery to be served on the government in an attempt to identify the informants. The informants will be subject to extreme retribution should their identity as informants be established, and the informants fear for their safety.

As stated above, the non-alter ego packages sent to the IRS include information that is irrelevant to the case at hand and, thus, are not discoverable by the Defendants at this time. *U.S. v. Estate Preservation Servs.*, 202 F.3d 1093, 1103 (9th Cir. 2000).

With respect to the alter ego packages, the informants request that all documents, writings, spreadsheets, etc. provided by the informants, as well as the transcripts of communications with the informants, be protected or their disclosure delayed using any and all legal devices intended to protect informants, including but not limited to the Informer's Privilege. In addition, if there is an item from an alter ego package, which the government is considering turning-over in discovery, it would be appreciated if the government gives advanced warning to the informants through their counsel.

The government's privilege to not disclose the identity of its informants, usually referred to as the Informer's Privilege, is in reality the government's privilege to withhold from disclosure the identity of persons who furnish information of violations of law. *Roviaro v. U.S.*, 353 U.S. 53 (1957). To promote the enforcement of law, the courts created the Informer's Privilege in order to encourage private citizens to make full disclosure to law enforcement agencies. To quiet an informant's fear of reprisal, the law promises him anonymity. *Id.*

The scope of the privilege is designed to encompass its underlying purpose--where the disclosure of the contents of a communication will tend to reveal the identity of an informer, the contents are privileged. Similarly, when the existence of an informant is revealed but not the informant's identity, the privilege is still applicable. The privilege is only limited by the applicability of fundamental requirements of fairness. Only where the disclosure of an

informant's identity, or of the contents of his communication, is relevant and helpful to a defense, or essential to a fair determination of a cause, will the privilege be denied. *Id.*

The Informer's Privilege can be invoked by the government in cases involving either criminal or civil actions. *Wirtz v. Continental Fin. & Loan Co. of West End*, 326 F.2d 561 (5th Cir. 1964). In determining whether the privilege applies, the courts will weigh the government's need to preserve the anonymous identity of the informant against a claim that withholding of such identity will unduly prejudice the case. Whether the Informer's Privilege applies depends on the facts and circumstances of each individual case. *Id.* Courts generally settle disputes regarding the applicability of the Informer's Privilege by utilizing an *in camera* inspection of the disputed items. *Timken Roller Bearing Co. v. U.S.*, 38 F.R.D. 57, 65-66 (D.C. Ohio 1964) (tax refund suit).

In *Suarez v. United States*, 582 F.3d 1007 (5th Cir. 1978), the Court of Appeals held that an informant's testimony was not essential to the appellants' defense in the sense that the informant was not the only likely source of alleged exculpatory information. Instead, the Court of Appeals decided that there were other witnesses who could testify concerning appellants' activities, which were in question. In *Mitchell v. Bass*, 252 F.2d 513 (8th Cir. 1958), the Court of Appeals stated that the privilege is only unavailable where the statement "would not embarrass the informants in their social relations or their employment or endanger their safety."

In the case at hand, the information provided by the informants is not helpful to the case of the Defendants. Instead, it shows that the Defendants created alter ego entities for the purpose of avoiding the collection of tax. Thus, the information is clearly not exculpatory. In addition, the Defendants themselves are the best source of any alleged exculpatory information regarding whether their activities created alter ego entities. All information provided by the informants was obtained from the Defendants and, thus, the information is already in the possession of the Defendants or has been intentionally destroyed by the Defendants in order to avoid the information's discovery by the Internal Revenue Service. Thus, the facts of the case at hand are similar to the facts in *Suarez*, where the court concluded there are other witnesses and other sources of information that could be tapped in order to find any alleged exculpatory information. Furthermore, the informants' information in the case at hand would not aid the Defendants, but it would necessarily reveal the identity of the informants. The public interest in preserving the anonymity of the informants to keep the flow of information going to the government far outweighs any interest the Defendants could have in knowing their identity.

I would like to speak with you regarding the Informer's Privilege and the opportunity of the government to preserve the anonymity of the informants. I respectfully request that you contact me at your convenience to discuss this matter further. I look forward to your response.

Sincerely,

*/s/ Robert Stientjes*

Robert Stientjes  
Principal  
S & P Law Firm, LLC

Pribe declaration dated Nov. 17, 2009  
Exhibit 6

**Pribe, Andrew T. (USACAC)**

---

**From:** Pribe, Andrew T. (USACAC)  
**Sent:** Monday, May 11, 2009 2:38 PM  
**To:** Rob Rewardtax  
**Subject:** Telephone conference

Mr. Stientjes:

Are you available for a phone conference tomorrow or Wednesday at either 11 a.m. or 2 p.m.?

Andrew Pribe

Andrew T. Pribe  
Assistant United States Attorney  
Central District of California  
Room 7211, Federal Building  
300 North Los Angeles Street  
Los Angeles, California 90012  
T: (213) 894-6551  
F: (213) 894-0115  
E: [andrew.t.pribe@usdoj.gov](mailto:andrew.t.pribe@usdoj.gov)

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Pribe declaration dated Nov. 17, 2009  
Exhibit 7

**Pribe, Andrew T. (USACAC)**

---

**From:** Rob Rewardtax [rob@rewardtax.com]  
**Sent:** Monday, May 11, 2009 3:44 PM  
**To:** Pribe, Andrew T. (USACAC)  
**Cc:** tom@rewardtax.com  
**Subject:** RE: Telephone conference

Mr. Pribe:

I am available tomorrow (Tuesday) at 2 PM pacific time. I look forward to your call.

Robert J. Stientjes  
S & P Law Firm, LLC  
1120 Olivette Executive Parkway  
Suite 220  
Saint Louis, Missouri 63132  
314.743.3292 direct telephone  
314.872.3988 main office  
314.872.7374 facsimile  
314.705.2771 cellular  
[www.RewardTax.com](http://www.RewardTax.com)

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**From:** Pribe, Andrew T. (USACAC) [mailto:Andrew.T.Pribe@usdoj.gov]  
**Sent:** Monday, May 11, 2009 4:46 PM  
**To:** Rob Rewardtax  
**Subject:** Telephone conference

Mr. Stientjes:

Are you available for a phone conference tomorrow or Wednesday at either 11 a.m. or 2 p.m.?

Andrew Pribe

Andrew T. Pribe

Assistant United States Attorney

Central District of California

Room 7211, Federal Building

300 North Los Angeles Street

Los Angeles, California 90012



T: (213) 894-6551

#1399

F: (213) 894-0115

E: [andrew.t.pribe@usdoj.gov](mailto:andrew.t.pribe@usdoj.gov)

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Pribe declaration dated Nov. 17, 2009  
Exhibit 8

**Pribe, Andrew T. (USACAC)**

---

**From:** Pribe, Andrew T. (USACAC)  
**Sent:** Monday, May 11, 2009 3:53 PM  
**To:** Rob Rewardtax  
**Subject:** RE: Telephone conference

I will call you then.

---

**From:** Rob Rewardtax [mailto:rob@rewardtax.com]  
**Sent:** Monday, May 11, 2009 3:44 PM  
**To:** Pribe, Andrew T. (USACAC)  
**Cc:** tom@rewardtax.com  
**Subject:** RE: Telephone conference

Mr. Pribe:

I am available tomorrow (Tuesday) at 2 PM pacific time. I look forward to your call.

Robert J. Stientjes  
S & P Law Firm, LLC  
1120 Olivette Executive Parkway  
Suite 220  
Saint Louis, Missouri 63132  
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314.872.3988 main office  
314.872.7374 facsimile  
314.705.2771 cellular  
[www.RewardTax.com](http://www.RewardTax.com)

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**From:** Pribe, Andrew T. (USACAC) [mailto:Andrew.T.Pribe@usdoj.gov]  
**Sent:** Monday, May 11, 2009 4:46 PM  
**To:** Rob Rewardtax  
**Subject:** Telephone conference

Mr. Stientjes:

Are you available for a phone conference tomorrow or Wednesday at either 11 a.m. or 2 p.m.?

Andrew Pribe

Andrew T. Pribe

Assistant United States Attorney

Room 7211, Federal Building

300 North Los Angeles Street

Los Angeles, California 90012

T: (213) 894-6551

F: (213) 894-0115

E: [andrew.t.pribe@usdoj.gov](mailto:andrew.t.pribe@usdoj.gov)

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Pribe declaration dated Nov. 17, 2009  
Exhibit 9

**Pribe, Andrew T. (USACAC)**

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**From:** Pribe, Andrew T. (USACAC)  
**Sent:** Thursday, May 28, 2009 10:58 AM  
**To:** Rob Rewardtax  
**Subject:** Correspondence



Stientjes  
052809.pdf

Andrew T. Pribe  
Assistant United States Attorney  
Central District of California  
Room 7211, Federal Building  
300 North Los Angeles Street  
Los Angeles, California 90012  
T: (213) 894-6551  
F: (213) 894-0115  
E: [andrew.t.pribe@usdoj.gov](mailto:andrew.t.pribe@usdoj.gov)

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U. S. Department of Justice

*United States Attorney  
Central District of California*

*Andrew Pribe  
Assistant United States Attorney*

*Federal Building, Suite 7211  
300 North Los Angeles Street  
Los Angeles, California 90012  
(213) 894-6551 (voice)  
(213) 894-0115 (fax)  
andrew.t.pribe@udsoj.gov*

*via e-mail*

Robert Stientjes  
S&P Law Firm, LLC  
1120 Olivette Executive Parkway  
Suite 220  
St. Louis, MO 63132

May 28, 2009

Dear Mr. Stientjes:

The Government would still like to meet with you and your client to discuss what information and documents he has.

Unfortunately, as we recently discussed, we cannot guarantee that your client will remain anonymous. Further, it is likely that we cannot keep the documents that he provides to us confidential. As you understand, the Government is in litigation and the court will not allow us to rely on secret evidence.<sup>1</sup>

While we would like to meet with you and your client, you and your client must not be under a misapprehension about the extent to which his identity or the documents he provides may be protected from disclosure. While I understand the quandary this poses for your client, I cannot promise otherwise.

Sincerely,

THOMAS P. O'BRIEN  
United States Attorney

ANDREW T. PRIBE  
Assistant U.S. Attorney

<sup>1</sup> See, e.g., Fed. R. Civ. P. 26(a)(1)(A)(i) and (ii).

Pribe declaration dated Nov. 17, 2009  
Exhibit 10

**Pribe, Andrew T. (USACAC)**

---

**From:** Rob Rewardtax [rob@rewardtax.com]  
**Sent:** Friday, May 29, 2009 3:36 PM  
**To:** Pribe, Andrew T. (USACAC)  
**Subject:** RE: Correspondence

Thank you for your letter of yesterday.

My client has submitted all of his information to the Internal Revenue Service under the guise of a claim under the Tax Whistleblower Reward Program. A Form 211 was filed with the IRS disclosing my client's name, contact information, etc. The information turned over to the IRS includes 25 banker's boxes of documents. The information also includes a detailed legal memorandum drafted by myself that suggests ways for you to utilize the information for the benefit of the United States.

The information that my client turned over is under the control of the IRS Whistleblower Office in Washington, DC. I have been informed by them that they will put the Form 211 and accompanying information through their normal intake process, which includes performing a "taint" analysis to determine if any of the information cannot be disclosed to the field agent and you—i.e., whether any of the information is subject to attorney-client privilege.

They have also suggested to me that I should allow them to complete their intake process before I engage in any additional communication with you and RO Dan Smith.

I look forward to assisting you in the future.

Very truly yours,

Robert J. Stientjes  
S & P Law Firm LLC  
1120 Olivette Executive Parkway  
Suite 220  
Saint Louis, Missouri 63132  
314.743.3292 direct telephone  
314.872.3988 main office  
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**From:** Pribe, Andrew T. (USACAC) [mailto:Andrew.T.Pribe@usdoj.gov]  
**Sent:** Thursday, May 28, 2009 1:00 PM  
**To:** Rob Rewardtax  
**Subject:** Correspondence

<<Stientjes 052809.pdf>>

Andrew T. Pribe

Assistant United States Attorney

#1408

Central District of California

Room 7211, Federal Building

300 North Los Angeles Street

Los Angeles, California 90012

T: (213) 894-6551

F: (213) 894-0115

E: [andrew.l.pribe@usdoj.gov](mailto:andrew.l.pribe@usdoj.gov)

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